(b) if so, whether the Ministry of Finance has urged RBI to send a message to the banks to fall in line with the licensing condition under which each of them are required to have a least 25 per cent of their branches in the rural and semi-urban areas;

(c) the total number of new private banks opened in the country; and

(d) how many of them have followed this directive?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Reserve Bank of India (RBI) has reported that public sector banks and private banks have 65.3% and 52.5% of their branches in Rural/semi-urban areas respectively. As regards identification of location for opening of branches, under the extant branch licensing policy the same is left to the discretion of the banks who in turn into consideration potential for business at the centre, profitability of the proposed branch, availability of infrastructure and security etc.

(c) and (d) There are 10 new private sector banks functioning in the country. All new private sector banks are having 25% of their branches in Rural/semi-urban centres except Kotak Mahindra Bank Ltd. set up on 22.3.2003.The bank has been advised to open 25% branches in Rural/semi-urban centres within 3 years as a condition stipulated in its licence.

Outstanding Loans of States

1685. SHRI S. VIDUTHALAI VIRUMBI: Will the Minister of FINANCE be pleased to state:

(a) what was the total outstanding loans of the State Governments including that payable to the Central Government during the first and the last year of the Ninth Five Year Plan period;

(b) what is the present position of State Governments (State-wise) regarding all loans payable by them including the amount owed to the Central Government; and

(c) what action has been taken so far to reduce that burden of the State Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) The total outstanding liabilities of the State Governments including that payable to the Central Government during the first year and the last year of the Ninth Five Year Plan period was Rs. 281207 crore and Rs. 589218 crore respectively.

(b) A Statement is enclosed (*See* below).

(c) Beside providing all feasible assistance to States, Ministry of Finance pursuant to the recommendation of Eleventh Finance Commission, drafted a scheme called State Fiscal Reforms Facility 2000-05 and also created an Incentive Fund for encouraging the States to undertake Medium Term Fiscal Reforms Programme (MTFRP). States are expected to undertake a number of steps to achieve fiscal consolidation including debt sustainability over the reforms period.

Government of India has also formulated a Debt Swap Scheme which aims at utilizing the current low interest rate regime to enable States to prepay expensive loans from Government of India in the past, with current low coupon bearing Small Savings and Open Market Loans.

Statement

Outstanding loans of States

State-wise amount of loans payable by States, including the amounts owed to the Central Government as on 31.03.2003 (BE)

Sl. No.	States	Amount (Rs. in crore)
1	2	3
1	Andhra Pradesh	50638
2	Arunachal Pradesh	1205
3	Assam	13252
4	Bihar	44649
5	Goa	3060
6	Gujarat	46689
7	Haryana	17526
8	Himachal Pradesh	11101
9	J&K	10590
10	Karnataka	32597

1	2	3
11	Kerala	30008
12	Madhya Pradesh	34099
13	Maharashtra	61324
14	Manipur	2065
15	Meghalaya	1538
16	Mizoram	1488
17	Nagaland	2526
18	Orissa	29207
19	Punjab	37950
20	Rajasthan	40890
21	Sikkim	834
22	Tamil Nadu	40947
23	Tripura	3330
24	Uttar Pradesh	87106
25	West Bengal	68111
	TOTAL:	672730

The States of Bihar, Madhya Pradesh and Uttar Pradesh include the liabilities of the newly formed States of Jharkhand, Chhattisgarh and Uttaranchal respectively.

Deposits in Post Office Saving Bank Accounts

1686. SHRI LALIT SURI: Will the Minister of FINANCE be pleased to state:

(a) the total deposits as on 31st March, 2003 in the Post Office Saving Bank Accounts in the country, postal circle-wise, separately showing the deposits in rural and urban accounts on which an interest of 3.50 per cent per annum is paid by Government;

(b) what percentage of and for what specific purposes the said deposits are used by the State/Central Government, separately; and

(c) the rate of interest payable by the State Governments to the Central Government on these deposits utilised by them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) A Statement, containing postal circle-wise deposits in the Post Office Savings Bank Accounts as on